

AMENDED IN ASSEMBLY MAY 1, 2012

AMENDED IN ASSEMBLY MARCH 29, 2012

CALIFORNIA LEGISLATURE—2011–12 REGULAR SESSION

ASSEMBLY BILL

No. 2390

Introduced by Assembly Member Chesbro
(Coauthors: Assembly Members Huffman and Ma)

February 24, 2012

An act to add Chapter 13 (commencing with Section 25990) to Division 15 of the Public Resources Code, relating to electricity.

LEGISLATIVE COUNSEL'S DIGEST

AB 2390, as amended, Chesbro. Electricity: biomass: incentive programs.

Existing law authorizes the Public Utilities Commission (PUC), in consultation with the State Energy Resources Conservation and Development Commission (Energy Commission), to authorize electrical corporations to collect moneys for the self-generation incentive program (SGIP) at 2008 calendar year levels through December 31, 2014. Existing law requires the PUC to require electrical corporations to administer the SGIP, until January 1, 2016. Existing law limits eligibility for SGIP incentives to distributed energy resources that the PUC, in consultation with the State Air Resources Board, determines will achieve reductions in emissions of greenhouse gases pursuant to the California Global Warming Solutions Act of 2006.

This bill would state legislative findings and declarations regarding the use of waste products from forest thinning and fire prevention activities to generate electricity at biomass facilities. The bill would require the Energy Commission, in consultation with the Department

of Forestry and Fire Protection, to establish an incentive program to compensate producers and collectors of biomass material associated with forest fuel reduction and fire prevention activities that are delivered to eligible biomass facilities, as defined, for use as a fuel source.

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. The Legislature finds and declares all of the
2 following:

3 (a) Prudent forest thinning and fire prevention activities are
4 important for protecting public safety.

5 (b) The utility of fire prevention activities can be supplemented
6 by harnessing the energy potential of waste products in the form
7 of woody biomass material from forest fuels reduction activities
8 and generating renewable electricity at biomass generation
9 facilities.

10 (c) Several large fires have resulted in significant costs to
11 California—~~investor-owned~~ *investor-owned* utilities that affect
12 electric rates. These costs include actual cost settlements with
13 homeowners, fire suppression cost reimbursement to the state and
14 federal emergency service agencies, transmission and distribution
15 equipment replacement, and ever increasing costs of insuring utility
16 infrastructure.

17 (d) The Department of Forestry and Fire Protection estimates
18 that almost 25 million acres of forest are considered high- and
19 medium-priority landscapes at risk to wildfire.

20 (e) Ratepayers will benefit by reducing the risk and associated
21 costs of fire related to the electric infrastructure.

22 SEC. 2. Chapter 13 (commencing with Section 25990) is added
23 to Division 15 of the Public Resources Code, to read:

24

25 CHAPTER 13. BIOMASS INCENTIVE PROGRAM

26

27 25990. For the purposes of this section, the following terms
28 have the following meanings:

29 (a) “Community scale biomass facilities” means an electric
30 generation facility that uses biomass that has a generation capacity
31 of under three megawatts and meets both of the following criteria:

1 (1) The facility is located in an area identified by the Department
2 of Forestry and Fire Protection as high- and medium-priority
3 landscapes at risk to wildfire.

4 (2) The facility uses as a fuel source only forest biomass
5 materials, such as shrubs, limbs, and small trees, collected from a
6 high- or medium-priority landscape considered at risk to ~~wildlife~~
7 *wild fire*, as determined by the Department of Forestry and Fire
8 Protection, pursuant to a project consistent with the California
9 Environmental Quality Act (Division 13 (commencing with Section
10 21000) or the federal National Environmental Policy Act (42
11 U.S.C. Sec. 4321 et seq.), as applicable.

12 ~~(b) "Eligible biomass facility" means an electric generation~~
13 ~~facility that uses as a fuel source forest biomass materials, such as~~
14 ~~shrubs, limbs, and small trees, collected from a high- or~~
15 ~~medium-priority landscape considered at risk to wildlife, as~~
16 ~~determined by the Department of Forestry and Fire Protection.~~

17 *(b) "Eligible biomass facility" means an electric generation*
18 *facility that meets both of the following:*

19 *(1) Uses as a fuel source forest biomass materials, such as*
20 *shrubs, limbs, and small trees, collected from a high- or*
21 *medium-priority landscape considered at risk to wild fire, as*
22 *determined by the Department of Forestry and Fire Protection.*

23 *(2) Uses best management standards to ensure that biomass*
24 *fuel use does not adversely impact water quality, soil productivity,*
25 *biodiversity, and wildlife.*

26 25991. The commission shall, in consultation with the
27 Department of Forestry and Fire Protection, establish an incentive
28 program to compensate producers and collectors of biomass
29 material associated with forest fuel reduction and fire prevention
30 activities that are delivered to eligible biomass facilities for use as
31 a fuel source.

32 25992. In implementing the program, the commission shall
33 encourage the maximum amount of hazardous forest fuels removal.